

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 97hrJC-Fi_Misc_pt64_LFB

➤ Record of Comm. Proceedings ... RCP

➤ **

Health and Family Services

Departmentwide and Management and Technology

(LFB Budget Summary Document: Page 245)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
2	Miscellaneous Adjustments -- Care and Treatment Facilities Fuel and Utility Costs (Paper #410)
4	Program Revenue and Segregated Funding Reestimates (Paper #411)
6	Milwaukee Child Welfare and W-2 Liaison Position (Paper #412)
8	DHFS Reorganization and Program Restructuring (Paper #413)

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Miscellaneous Adjustments -- Care and Treatment Facilities Fuel and Utility Costs (DHFS -- Departmentwide and Management and Technology)

[LFB Summary: Page 246, #2 (part)]

CURRENT LAW

The Division of Care and Treatment Facilities (DCTF) operates six different institutions: (a) the three state centers for the developmentally disabled ("Centers"); (b) the two state mental health institutes (MHIs); and (c) the Wisconsin Resource Center (WRC). The Centers are supported by program revenue (PR), which is medical assistance funds transferred from the Division of Health. The WRC is funded by state general purpose revenue (GPR). The two MHIs are funded by a combination of GPR and PR.

Base funding for food for residents at the Centers and the MHIs is \$2,545,100 (\$407,900 GPR and \$2,137,200 PR). Base funding for fuel and utility costs at the DCTF facilities is \$4,654,900 (\$1,458,100 GPR and \$3,196,800 PR).

GOVERNOR

Provide \$313,000 (\$95,100 GPR and \$217,900 PR) in 1997-98 and \$409,500 (\$111,700 GPR and \$297,800 PR) in 1998-99 to fund anticipated increases in the cost of food at the MHIs and the State Centers. In addition, reestimate fuel and utility costs at the DCTF facilities by \$901,600 (-\$103,600 GPR and \$1,005,200 PR) in 1998-99 and \$983,600 (-\$95,800 GPR and \$1,079,400 PR) in 1998-99.

DISCUSSION POINTS

Food Costs

1. Based on a reestimate of projected food costs for the MHIs and Centers in the 1997-99 biennium, the amount of funding provided in the bill should be reduced by \$6,200 GPR and \$172,300 PR in 1997-98 and by \$9,300 GPR and \$194,600 PR in 1998-99.

2. The reestimate is based on inflation guidelines for food contained in the Department of Administration's 1997-99 budget instructions to state agencies. These guidelines recommended that agencies inflate food costs by 2.5% in 1997-98 and 2.6% in 1998-99. The Governor's bill projects food costs increasing by 6.5% in 1997-98 and by 3.3% in 1998-99. In addition, the reestimate deletes funding that would be provided in the bill for increased food costs for persons that were relocated from the Centers under the community integration program in the 1995-97 biennium.

3. The reestimate suggests that the amount required to meet inflationary cost increases for food at the DCTF facilities is \$134,600 (\$88,900 GPR and \$45,600 PR) in 1997-98 and \$205,600 (\$102,400 GPR and \$103,200 PR) in 1998-99. As a result of lower estimated costs for the Centers, the medical assistance benefits appropriation should be reduced by \$72,200 GPR and \$104,000 FED in 1997-98 and \$80,700 GPR and \$116,200 FED in 1998-99.

Utility Costs

4. Current projections of fuel and utility costs for the DCTF facilities in the 1997-99 biennium indicate that the total amount of funding required to meet these costs is approximately equal to the amount in the Governor's bill. However, a greater share of the projected cost increase should be supported with GPR, rather than PR funds.

5. The primary reason for the shift of funding from PR to GPR is that the base budget does not account for the higher split for GPR funding at the Mendota Mental Health Institute as a result of the GPR support of the indirect costs for the Mendota Juvenile Treatment Center. Currently, PR funds contributed by DOC support only direct care costs.

6. The current estimates indicate that the appropriate amount required for inflationary increases in fuel and utility costs would be \$239,500 (\$257,700 GPR and -\$18,200 PR) in 1997-98 and \$303,100 (\$280,000 GPR and \$23,100 PR) in 1998-99. In addition, PR base funding for the two power plants serving these six institutions should be increased by \$241,000 PR in 1997-98 and \$271,500 PR in 1998-99 for the Mendota Power Plant and \$78,500 PR in 1997-98 and \$93,800 PR in 1998-99 for the Winnebago Power Plant, rather than the amounts recommended by the Governor (\$332,300 PR in 1997-98 and \$354,400 PR in 1998-99 for Mendota Power Plant and \$343,600 PR in 1997-98 and \$349,900 PR in 1998-99 for the Winnebago Power Plant.

HEALTH AND FAMILY SERVICES

Care and Treatment Facilities Fuel and Utility Costs

Motion:

Move to modify the modification in Paper #410 for funding of food, fuel and utilities at facilities operated by the Division of Care and Treatment to reduce GPR funding by \$200,000 in 1997-98 and by \$204,000 in 1998-99 and increase PR funding by the same amounts. In addition, increase the amount paid by the Department of Corrections to the Department of Health and Family Services by \$200,000 PR in 1997-98 and by \$204,000 PR in 1998-99 to reflect payment for food, fuel and utility costs related to the care of juveniles at the Mendota Juvenile Treatment Center.

Note:

Currently, DOC pays DHFS a fixed amount that allows DOC to transfer up to 43 juveniles to the MJTC. DOC, in turn, charges the counties for the cost of care at the MJTC through the daily rate charged to counties for youth sent to other juvenile correctional institutions (JCI's). In the Governor's budget recommendation, the amounts that would be transferred from DOC to DHFS for these youths would be \$3,125,100 in 1997-98 and \$3,236,200 in 1998-99. These amounts cover only the costs of staff that work in the MJTC unit that provide direct care to these youths. The amount does not include indirect costs such as food, heat, and utilities.

In order to support the indirect care costs for the MJTC, the budget provides an additional \$2.4 million GPR annually. This amount reflects an assumption that the MJTC youth are GPR-supported patients for purposes of determining the appropriate mix of GPR and PR support for Mendota. Typically, in each biennial budget, the proportion of indirect costs that is funded by GPR is based on the current proportion of GPR-supported patients to total patients.

This motion would increase the payment made by DOC to DHFS for youth at the MJTC by \$200,000 in 1997-98 and by \$204,000 in 1998-99 to reflect the cost of food, fuel and utilities attributable to the MJTC. This would result in higher charges to counties of the same amounts.

[Change to Bill: -\$404,000 GPR, \$808,000 PR]

MO#

690

BURKE	(Y)	(N)	A
DECKER	(Y)	(N)	A
GEORGE	Y	(N)	A
JAUCH	Y	(N)	A
WINEKE	Y	(N)	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
2OURADA	Y	(N)	A
HARSDORF	Y	(N)	A
ALBERS	Y	(N)	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	Y	(N)	A
COGGS	Y	(N)	A

AYE 7 NO 9 ABS

MODIFICATION TO BILL

1. Modify the Governor's recommendation to reflect reestimates of the inflationary costs for food, fuel and utilities at DCTF facilities by: (a) reducing funding for food by \$6,200 GPR and -\$172,300 PR in 1997-98 and \$9,300 GPR and \$194,600 PR in 1998-99; (b) increasing funding for fuel and utilities by \$361,300 GPR in 1997-98 and \$375,800 GPR in 1998-99 and decreasing funding by \$703,900 PR in 1997-98 and \$691,000 PR in 1998-99; and (c) reducing MA benefits funding by \$72,200 GPR and \$104,000 FED in 1997-98 and \$80,700 GPR and \$116,200 FED in 1998-99.

<u>Modification</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$568,700	- \$220,200	- \$1,761,800	- \$1,413,300

Prepared by: Richard Megna

MO# Modification

2 BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 16 NO 0 ABS

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Program Revenue and Segregated Funding Reestimates (DHFS -- Departmentwide and Management and Technology)

[LFB Summary: Page 246, #4]

CURRENT LAW

Under the medical assistance (MA) estate recovery program, recipients share in the cost of nursing home care and services they received under home- and community-based waiver programs, after their death, through payments from their estates. The Department of Health and Family Services (DHFS) may place liens on a nursing facility's resident's home if the individual is not expected to be discharged from the nursing facility and if certain family members do not reside in the home. Further, DHFS may place claims against a recipient's estate.

Revenue collected under the estate recovery program is credited to a DHFS program revenue appropriation, which is used to offset MA benefits expenditures. Counties may retain 5% of collections obtained as a result of information provided by the county, and must use this revenue for activities relating to estate recovery and income maintenance administration. The 1996-97 base estimate for estate recovery collections is \$10,146,900.

GOVERNOR

Increase estimates of revenue that will be collected and distributed under the MA estate recovery program by \$452,700 PR in 1997-98 and \$811,200 PR in 1998-99 so that, under current law, a total of \$10,599,600 PR in 1997-98 and \$10,958,100 PR in 1997-98 would be collected and distributed under the program. (A separate provision that would amend probate law to allow

DHFS to recover funds from joint bank accounts and payable-on death accounts is expected to increase revenues by an additional \$295,700 PR annually.)

MODIFICATION TO BILL

Based on a review of actual MA estate recovery collections through March, 1997, total estate recovery collections are projected to be \$12,507,000 PR in 1997-98, \$13,507,000 PR in 1997-98 and \$14,207,000 in 1998-97. Consequently, the program revenue amounts should be increased by \$2,907,400 in 1997-98 and \$3,248,900 from the amounts in the bill to reflect these reestimates. The projected MA benefits savings resulting from these reestimates (\$1,098,200 GPR and \$1,700,800 FED in 1997-98 and \$1,227,200 GPR and \$1,900,500 FED in 1998-99) will be incorporated into the MA base reestimate.

<u>Modification</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	\$6,156,300

Prepared by: Charles Morgan

MO# modifications

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	X	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 16 NO 0 ABS 0

<p>To: Joint Committee on Finance</p> <p>From: Bob Lang, Director Legislative Fiscal Bureau</p>

ISSUE

Milwaukee Child Welfare and W-2 Liaison Position (DHFS -- Departmentwide and Management and Technology)

[LFB Summary: Page 247, #6]

CURRENT LAW

The Office of the Secretary is responsible for the overall direction and operation of the Department of Health and Family Services (DHFS). The Office includes the Secretary, Deputy Secretary, Executive Assistant and support staff. Support staff provide public information, constituent relations and legislative liaison services, in addition to administrative services for the Office.

GOVERNOR

Provide \$113,000 PR in 1997-98 and \$108,100 PR in 1998-99 to support 1.0 PR unclassified position, beginning in 1997-98, to serve as a liaison position in the Office of the Secretary to coordinate the implementation of the Wisconsin Works program with the state's assumption of the Milwaukee child welfare system to ensure that both programs interact effectively. Funding to support this position would be provided by federal funds available under the temporary assistance to needy families (TANF) block grant transferred to DHFS from the Department of Workforce Development (DWD). In addition, increase from five to six the number of division administrator positions in DHFS.

DISCUSSION POINTS

1. The Governor recommends providing 1.0 PR community development specialist position to coordinate the implementation of the W-2 program with the state assumption of administering child welfare services in Milwaukee County. The position would coordinate with economic development and social services programs administered by private businesses, religious organizations and state and local governments. The position would plan, facilitate and coordinate with current programs with the goal of moving clients out of dependency and into the economic sector.

2. The activities that would be assigned to this position are the types of activities that could be assigned to the Administrator of the Division of Children and Family Services or the Director of the Bureau of Milwaukee Child Welfare, who are located in Madison, or the Child Welfare Reform Director in the DHFS Milwaukee Office. As management staff, one could argue that these positions would have significant contact with local program administrators and businesses that provide services to, and employ W-2 and child welfare clients.

3. However, DHFS staff indicate that these activities cannot be assumed by current DHFS management staff and that it is necessary to locate the position in the Secretary's Office to provide a departmentwide perspective on issues. Further, this position could represent DHFS in resolving issues between DHFS and DWD.

4. The position would be budgeted for twelve months in each year of the 1997-98 biennium. The Department of Administration indicates that a current state employee would be transferred to assume this position. Funding for this position includes: (a) salary (\$75,000 annually); (b) fringe benefits (\$28,000 annually); (c) supplies and services (\$5,100 annually); and (d) one-time funding (\$4,900 in 1997-98). However, given that the budget will more likely be enacted in August, funding for this position could be reduced by \$9,000 GPR to reflect 11 months of funding in 1997-98.

5. If the Committee believes that a position should be provided for this liaison activity but on a classified basis at a lower salary amount, an alternative would be to provide 1.0 classified community services specialist position to enable the Department to coordinate its activities with community groups. The costs of providing such a position would be \$43,000 PR in 1997-98 and \$50,900 PR in 1998-99. However, because DHFS expects to use this position to assist the Secretary in resolving broad policy and programmatic issues and to represent the Department's position in these two significant initiatives, it may be more appropriate to provide a high level position to conduct these activities.

6. The Department of Administration indicates that the provision in the bill that would increase from five to six the number of division administrator positions in DHFS should be deleted, since DHFS would continue to have five divisions (Health, Care and Treatment Facilities, Children and Family Services, Supportive Living and Management and Technology).

However, if the Committee approves the unclassified liaison position recommended by the Governor, a statutory change is needed to increase the number unclassified positions in DHFS by one. DOA staff have requested that this position be statutorily designated as the Director of the Office of Urban Development in DHFS.

ALTERNATIVES TO BILL

1. Modify the Governor's recommendation by providing \$104,000 PR for 11 months funding in 1997-98 and \$108,100 PR in 1998-99 to support 1.0 unclassified position, beginning in 1997-98, to serve as a liaison position in the Office of the Secretary. Delete the provision that would increase the number of division administrator positions within DHFS and instead, increase the number of unclassified positions in DHFS by one and designate that position the Director of the Office of Urban Development.

<u>Alternative 1</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	- \$9,000

2. Delete the Governor's provision. Instead, provide \$43,000 PR in 1997-98 and \$50,900 PR in 1998-99 to support 1.0 PR classified community services specialist position, beginning in 1997-98.

<u>Alternative 2</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	- \$129,900

3. Delete provision.

<u>Alternative 3</u>	<u>PR</u>
1997-99 FUNDING (Change to Bill)	- \$221,100
1998-99 POSITIONS (Change to Bill)	- 1.00

Prepared by: Charles Morgan

MO# Alt 1

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
1 JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
2 GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 8 NO 8 ABS

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A

JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE _____ NO _____ ABS _____

HEALTH AND FAMILY SERVICES

Milwaukee Child Welfare and W-2 Liaison Position

Motion:

Move to modify the Governor's recommendation by providing \$104,000 PR for 11 months funding in 1997-98 and \$108,100 PR in 1998-99 to support 1.0 unclassified position, beginning in 1997-98, to serve as a liaison position in the Office of the Secretary. Delete the provision that would increase the number of division administrator positions within DHFS and instead, increase the number of unclassified positions in DHFS by one and designate that position the Director of the Office of Urban Development. Specify that the position would be located in an office in the City of Milwaukee.

Note:

This position would report directly to the Secretary of the Department of Health and Family Services in order to coordinate the implementation of the Wisconsin Works program with the state's assumption of the Milwaukee child welfare system to ensure that both programs interact effectively. The position would be located in an office in the City of Milwaukee.

MO# 750

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

Motion #750

AYE 16 NO 0 ABS 0

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

DHFS Reorganization and Program Restructuring (DHFS -- Departmentwide and Management and Technology)

[LFB Summary: Page 248, #8]

CURRENT LAW

The 1995-97 biennial budget act contained several provisions that resulted in the reorganization of the Department of Health and Social Services. First, the act transferred the Division of Economic Support and the Division of Vocational Rehabilitation to the Department of Industry, Labor and Human Development (now the Department of Workforce Development), and the Division of Youth Services to the Department of Corrections, effective July 1, 1996. Second, the act changed the name of the Department to the Department of Health and Family Services, effective July 1, 1996. Finally, the act directed the Department to submit a proposed plan of reorganization to the Department of Administration by April 1, 1996.

The Department's reorganization plan contained numerous recommendations, including: (a) dividing the Division of Community Services into two divisions, the Division of Children and Family Services and the Division of Supportive Living; (b) the creation of an Office of Strategic Finance to provide a central focus on allocating DHFS funds and managing implementation of federal block grants; and (c) creating a key process management capability reporting directly to the Office of the Secretary for the areas of case management, prevention services and long-term support coordination that affect more than one division.

GOVERNOR

Reduce funding by \$1,601,200 (-\$136,600 GPR, -\$232,200 FED and -\$1,232,400 PR) in 1997-98 and \$1,593,800 (-\$136,600 GPR, -\$232,200 FED and -\$1,225,000 PR) in 1988-89 and delete 2.93 positions (-0.45 GPR positions, -35.01 PR positions and -32.75 FED positions), beginning in 1997-98, to reflect the net effect of funding and position changes resulting from the reorganization.

Program Structure. Modify the Department's program structure as follows: (a) divide the current health services, planning, regulation and delivery program, which includes both state operations and aids/local assistance appropriations, into two programs, one composed of state operations appropriation, the other with aids and local assistance appropriations; (b) create a program for the Division of Children and Family Services (DCFS) by replacing the youth services program; (c) replace the Division of Community Services (DCS) state operations program with a state operations program for the Division of Supportive Living (DSL); and (d) replace the DCS aids and local assistance program with a program that includes aids and local assistance appropriations for programs administered by DSL.

Repeal of Current Appropriations. Repeal the current appropriations previously used to support: (a) studies of the cost-effectiveness of extending MA benefits under welfare reform; (b) projects to test the practicality and effectiveness of using, in health care settings, devices that are designed to prevent occupational puncture injuries; and (c) high-risk pregnancy grants. Repeal current statutory provisions relating to these programs. No funding was budgeted for these programs in the 1995-97 biennium.

Create Appropriations. Create two program revenue appropriations in DCFS. One appropriation would authorize DCFS to expend all moneys received from fees charged for providing state mailings, special computer services, training programs, printed material and publications for the costs of providing these services. The second would support the costs of licensing child welfare agencies, foster homes, treatment foster homes, group homes, day care centers and shelter care facilities. All moneys received for these licensing activities would be credited to the appropriation.

Create a gifts and grants appropriation in the health services planning, regulation and delivery aids and local assistance program which would authorize DHFS to provide aids to individuals for health services from all moneys DHFS receives from gifts, grants and bequests.

Create an appropriation in the DHFS general administration program that would authorize DHFS to expend all block grant moneys received from the federal government for the state administration of federal block grants for the purposes specified.

DISCUSSION POINTS

1. Since the time the Governor's budget was introduced, DHFS budget staff have reviewed the reallocation of staff and funding under the bill and have recommended changes to these reallocations for consideration by the Committee. In a April 21, 1997, letter to the Committee's Co-Chairs, the DHFS Secretary indicated that a number of changes are needed to this item.

2. These changes are requested to correct several types of errors. For example, the bill would transfer funding for state administration of medicare from the Division of Health to DSL. However, the positions were inadvertently transferred to the DSL federal project operations appropriation, rather than the DSL medicare state administration appropriation. Consequently, DHFS requests that positions and funding be transferred from federal project operations to medicare state administration. Other errors occurred because funding and positions affected by the Governor's recommendations relating to the reorganization were also affected by other items, such as program revenue and federal reestimates, and these recommendations were not reconciled.

3. In addition, DHFS staff have reviewed the activities of staff to ensure that: (a) positions that were formerly in the Division of Community Services are allocated to the appropriate division (DSL or DCFS); and (b) staff are supported from the appropriate funding sources. The DHFS requested changes to the bill reflect reassessments of the activities of current staff.

4. Finally, the DHFS recommendations include the transfer of additional support staff, such as auditors, accountants, purchasing agents and financial specialist positions, from program divisions to the general administration program to increase centralization of these activities within DHFS.

5. The net changes recommended by DHFS to the bill are summarized on the attachment.

6. In addition to the changes recommended by DHFS identified in the attachment, DOA staff request that two changes be made to this item. First, \$1,400 PR in 1997-98 and \$1,300 PR in 1998-99 should be transferred from the DSL appropriation for workshop fees to the DSL appropriation for the group home revolving loan fund. Second, the bill should be amended to correct a reference to the appropriation used to support the birth-to-three program.

The attachment indicates the annual fiscal and position changes to SB 77 which are necessary to properly align the Department's reorganization.

MODIFICATION TO BILL

Modify the Governor's recommendations to incorporate the annual changes identified in the attachment. In addition, transfer \$1,400 PR in 1997-98 and \$1,300 PR in 1998-99 from the DLS workshop fees appropriation to the group home revolving loan fund appropriation and correct a reference to the birth-to-three appropriation.

<u>Modification</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	- \$262,400	- \$1,066,000	\$1,390,200	\$61,800
1998-99 POSITIONS (Change to Bill)	0.20	- 10.47	9.44	- 0.83

Prepared by: Charles Morgan

MO# modification

2 BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A
1 JENSEN	<input checked="" type="radio"/>	N	A
OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS 0

ATTACHMENT

Proposed Annual Changes to the Governor's Reorganization Proposal

<u>Appropriation</u>	<u>Source</u>	<u>Funding</u>	<u>Full-Time Equivalent Positions</u>
Health			
General Program Operations	GPR	-\$296,400	-5.50
Internal Services	PR	-170,900	-5.05
Care and Treatment Facilities			
General Program Operations	GPR	-16,100	-0.30
State Centers Operations	PR	-27,100	-0.50
Mental Health Institutes Operations	PR	-10,700	-0.20
Children and Family Services			
General Program Operations	GPR	-491,200	-8.35
Program Certification Operations	PR	-69,200	-1.00
Licensing and Support Services	PR	7,900	0.60
Child Care Development Block Grant Operations	PR	56,300	0.00
Interagency and Intra-agency Programs	PR	108,000	0.45
Federal Project Operations	FED	-51,000	-0.81
Substance Abuse Block Grant Operations	FED	-95,800	0.00
Social Services Block Grant Operations	FED	-273,100	-7.00
Federal Program Operations	FED	41,300	-1.50
State Foster Care and Adoption Operations	FED	-163,200	-3.00
Child Welfare Operations	FED	0	-1.00
Medical Assistance Operations	FED	7,500	0.50
Foster Grandparent Program	FED	-46,900	-1.00
Child Welfare Runaway Program	FED	0	-0.50
Supportive Living			
General Program Operations	GPR	-500	0.75
Home Health License Fees	PR	-18,600	-0.34
Program Certification Operations	PR	125,600	2.00
Licensing and Support Services	PR	-2,200	0.40
Interagency and Intra-agency Programs	PR	-71,300	-3.75
Federal Project Operations	FED	-3,173,900	-38.15
Substance Abuse Block Grant Operations	FED	58,100	0.00
Community Mental Health Block Grant Operations	FED	-58,100	-2.00
Social Services Block Grant Operations	FED	44,400	2.60
Medical Assistance State Administration	FED	38,100	0.40
Federal Program Operations	FED	-41,300	2.00
Medicare State Administration	FED	3,143,200	38.29
Medical Assistance Survey and Certification Operations	FED	-9,200	-0.30
Aging Program Operations	FED	46,900	1.00
General Administration			
General Program Operations	GPR	673,000	13.60
Administration and Support/Administration	PR	0	0.90
Administration and Support/Fiscal Services	PR	678,200	14.51
Administration and Support/Personnel	PR	89,100	1.64
Indirect Cost Reimbursements	PR	0	-0.22
Summary			
GPR		-\$131,200	0.20
FED		-533,000	-10.47
PR		<u>695,100</u>	<u>9.44</u>
Grand Total		\$30,900	-0.83

HEALTH AND FAMILY SERVICES

Nondiscrimination Against Religious Organizations

Motion:

Move to create statutory provisions relating to nondiscrimination against religious organizations as follows:

Purpose. Specify that the purpose of these provisions is to enable the Department of Health and Family Services (DHFS) to contract with, or distribute grants to, religious organizations on the same basis as any other nongovernmental provider without impairing the religious character of such organizations, and without diminishing the religious freedom of beneficiaries of services funded under such programs.

Nondiscrimination Against Religious Organizations. Specify that if DHFS is authorized to distribute any grant to, or contract with, a nongovernmental entity, that nongovernmental entity can be a religious organization as long as the programs are implemented consistent with the Establishment Clause of the United States Constitution. Prohibit DHFS from discriminating against an organization on the basis that the organization has a religious character.

Religious Character and Freedom. Specify that a religious organization that receives a grant from, or contracts with DHFS retains its independence from federal, state and local governments, including such organization's control over the definition, development, practice and expression of its religious beliefs.

Prohibit DHFS from requiring a religious organization to: (a) alter its form of internal governance; or (b) remove religious art, icons, scripture, or other symbols as a condition of contracting with, or receiving a grant from DHFS.

Rights of Beneficiaries of Services. Specify that if an individual has an objection to the religious character of the organization or institution from which the individual receives, or would receive, assistance funded from a program supported with funding administered by DHFS, DHFS would provide the individual (if otherwise eligible for such assistance), within a reasonable period of time after the date of such objection, services from an alternative provider that is accessible to the individual and the value of which is not less than the value of the services which the individual would have received from such organization.

DEPARTMENT OF HEALTH AND FAMILY SERVICES

Applicability of County Liability for Protective Placements

Motion:

Move to extend the provisions of 1995 Wisconsin Act 92 to persons who were first committed to an institution prior to the effective date of that act, but who seek community-based services from a county after the effective date of Senate Bill 77.

Note:

1995 Wisconsin Act 92 limits counties' liability for the costs of protective placements and services provided under Chapter 55 of the statutes to available state and federal funds and county funds used to match state funds. In addition, Act 92 specifies that, even if funding is available, a court may consider additional factors, such as: (a) the reasonableness of the placement, given the cost and actual benefits in the level of functioning to be realized by the individual; (b) the limits of available state and federal funds and of county funds required to be appropriated to match state funds; and (c) the reasonableness of the placement given the number or projected number of individuals who will need protective placement and given the limited funds available.

Prior to Act 92, courts were required to make protective placements to the least restrictive environment, consistent with the needs of the person to be placed, and based on the following two factors: (a) the need of the person for health, social and rehabilitative services; and (b) the needed level of supervision.

The provisions of Act 92 first applied to a cause of action that arose on the bill's effective date (December 15, 1995). A circuit court has interpreted this provision to mean that the limited liability extended to counties under Act 92 does not apply to persons committed prior to the effective date of Act 92, who subsequently, as a result of a Watts review, seek protective placement services in a less restrictive setting from the county.

This motion would eliminate this "grandfather" provision and extend the liability limit to all persons who seek protective placement services from the county after the effective date of SB 77, even if that person was initially committed prior to the effective date of Act 92.

MO# 1531

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A
JENSEN	<input checked="" type="radio"/>	N	A
2 OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
1 ALBERS	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS

HEALTH AND FAMILY SERVICES

"Other Facilities" for Sexually Violent Persons

Motion:

Move to incorporate into SB 77 changes to Chapter 980, as identified in the attachment to this motion, to delete current law provisions that authorize courts to place sexually violent persons in facilities other than the Wisconsin Resource Center or a secure mental health unit or facility.

Note:

This motion deletes reference to housing sexually violent persons (SVPs) in undefined "other facilities." Given the current s. 980 language, a court could require the Department to create a new type of facility to house SVPs. No funding is authorized for DHFS to create such facilities.

MO# 1065

BURKE	<u>Y</u>	N	A
DECKER	<u>Y</u>	N	A
GEORGE	<u>Y</u>	N	A
JAUCH	<u>Y</u>	N	A
WINEKE	<u>Y</u>	N	A
SHIBILSKI	<u>Y</u>	N	A
COWLES	<u>Y</u>	N	A
PANZER	<u>Y</u>	N	A
JENSEN	<u>Y</u>	N	A
OURADA	<u>Y</u>	N	A
HARSDORF	<u>Y</u>	N	A
ALBERS	<u>Y</u>	N	A
GARD	<u>Y</u>	N	A
KAUFERT	<u>Y</u>	N	A
LINTON	<u>Y</u>	N	A
COGGS	<u>Y</u>	N	A

SECTION 1. Section 980.06(2)(b) is amended to read:

An order for commitment under this section shall specify either institutional care ~~in a secure mental health unit or facility~~, as provided under s. 980.065, ~~or other facility~~ or supervised release. In determining whether commitment shall be for institutional care ~~in a secure mental health unit or facility or other facility~~ or for supervised release, the court may consider, without limitation because of enumeration, the nature and circumstances of the behavior that was the basis of the allegation in the petition under s. 980.02 (2) (a), the person's mental history and present mental condition, where the person will live, how the person will support himself or herself, and what arrangements are available to ensure that the person has access to and will participate in necessary treatment. The department shall arrange for control, care and treatment of the person in the least restrictive manner consistent with the requirements of the person and in accordance with the court's commitment order.

SECTION 2. Section 980.065 (Title) is amended to read:

Institutional care ~~Secure mental health unit or facility~~ for sexually violent persons.

SECTION 3. Section 980.065 is amended to read:

(1) The department ~~may~~ shall place a person committed to institutional care ~~a secure mental health unit or facility~~ under s. 980.06 (2) (b) at a mental health unit or facility including but not limited to a one of the following:

(a) ~~The Wisconsin resource center established under s. 46.056.~~

(b) ~~A secure mental health unit or facility~~ at the Wisconsin resource center established under s. 46.056 or provided by the department of corrections under sub. (2).

(2) The department may contract with the department of corrections for the provision of a secure mental health unit or facility for persons committed under s. 980.06 (2) (b) to

institutional care ~~a secure mental health unit or facility~~. The department shall operate a secure mental health unit or facility provided by the department of corrections under this subsection and shall promulgate rules governing the custody and discipline of persons placed by the department in the secure mental health unit or facility provided by the department of corrections under this subsection.

SECTION 4. Section 980.08(1) and (4) are amended to read:

(1) Any person who is committed for institutional care ~~in a secure mental health unit or facility or other facility~~ under s. 980.06 may petition the committing court to modify its order by authorizing supervised release if at least 6 months have elapsed since the initial commitment order was entered, the most recent release petition was denied or the most recent order for supervised release was revoked. The director of the facility at which the person is placed may file a petition under this subsection on the person's behalf at any time.

(4) The court, without a jury, shall hear the petition within 30 days after the report of the court-appointed examiner is filed with the court, unless the petitioner waives this time limit. Expenses of proceedings under this subsection shall be paid as provided under s. 51.20 (18). The court shall grant the petition unless the state proves by clear and convincing evidence that the person is still a sexually violent person and that it is still substantially probable that the person will engage in acts of sexual violence if the person is not continued in institutional care ~~confined in a secure mental health unit or facility~~. In making a decision under this subsection, the court may consider, without limitation because of enumeration, the nature and circumstances of the behavior that was the basis of the allegation in the petition under s. 980.02 (2) (a), the person's mental history and present mental condition, where the person will live, how the person will support himself or herself and what arrangements are available to ensure that the person has access to and will participate in necessary treatment.

HEALTH AND FAMILY SERVICES

Consolidation of State Centers

Motion:

Move to create a commission to develop and recommend a plan, by January 1, 1998, for the consolidation of the three state centers for the developmentally disabled. Specify that the commission would consist of the following five members: (a) an appointee of the Governor; (b) the Speaker of the Assembly or designee; (c) the Assembly Minority Leader or designee; (d) the Senate Majority Leader or designee; and (e) the Senate Minority leader or designee. Specify that the recommendations of the commission would be binding on the Department of Health and Family Services unless, within 60 days following the submission of the plan, the plan is rejected by a majority vote of the Assembly and the Senate.

Note:

The Department of Health and Family Services operates three residential facilities for the care of persons with developmental disabilities. These facilities include Northern Wisconsin Center in Chippewa Falls, Central Wisconsin Center in Madison, and Southern Wisconsin Center in Union Grove (Racine County).

This motion would create a commission that would develop and recommend a plan by January 1, 1998, for the consolidation of these facilities. DHFS would be required to carry out the recommendations of the commission unless, within 60 days following submission of the plan to the Legislature, both the Assembly and Senate vote to reject the plan.

MO# 715

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A
JENSEN	<input checked="" type="radio"/>	N	A
OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS 0

HEALTH AND FAMILY SERVICES

Departmentwide and Management and Technology

LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Standard Budget Adjustments
5	Extensions and Conversion of Project Positions
7	Delete Vacant Positions
10	Information Technology -- Year 2000 Conversion
11	Financial Services Chargebacks
12	Information Systems Transfers

LFB Summary Items to be Addressed in Subsequent Papers

<u>Item #</u>	<u>Title</u>
3	Debt Service Reestimate
9	Information Technology Infrastructure Support and Transfer to DOA

LFB Summary Item for Introduction as Separate Legislation

<u>Item #</u>	<u>Title</u>
13	Denial of Licenses for Failure to Pay Child Support and Tax Delinquency